

	<p style="text-align: center;">AMENDMENT 4 to Solicitation Number: RFP YH07-0010 Claims Services Amendment Date: September 12, 2007</p>	<p>Arizona Health Care Cost Containment System (AHCCCS) 701 East Jefferson, MD 5700 Phoenix, Arizona 85034</p> <p>Pat Watkinson, Contracts Manager E-mail: Patricia.Watkinson@azahcccs.gov</p>
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A signed copy of this amendment must be returned with the proposal and received by AHCCCS on or prior to the Solicitation due date and time. Note that the due date and time will remain September 25, 2007, at 3:00 P.M. MST.

Late proposals will not be accepted.

This amendment is to correct some ambiguities potential vendors found in the solicitation and solicitation amendments and to extend the time for answers to questions.

All other terms and conditions of the RFP remain unchanged.

Offeror hereby acknowledges receipt and understanding of this Solicitation Amendment.		This Solicitation Amendment is hereby executed this 12th day of September 2007, in Phoenix, Arizona.	
		SIGNED COPY ON FILE	
Signature	Date	Signature	
		Michael Veit	
Typed Name and Title		Contracts and Purchasing Administrator	
Name of Company			

Solicitation Amendment 4
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CHANGES

A signed copy of this amendment must be returned with the proposal and received by AHCCCS on or prior to the Solicitation due date and time. This solicitation is amended as follows:

Please note: deletions are indicated by a ~~strike through~~ and additions are indicated by **shadowing**.

2. SCHEDULE OF EVENTS

The following are key dates applicable to this Solicitation:

Activity	Date
Solicitation Issued	July 9, 2007
Notice of Intent to Issue a Solicitation	July 9, 2007
Bidder's Conference	August 9, 2007
Questions from Offerors	August 29, 2007
Written Answers to Questions	September 5 September 12 , 2007 for final set
Proposals Due	September 25, 2007
Proposal Evaluations	November 21, 2007
Oral Presentation of Proposals	TBD
Best and Final Offers	TBD
Contract Award	TBD
Contract Execution	TBD
Contract Begin Date	January 1, 2008

In response to those offerors who had exceptions to the RFP, if you have not received, in writing, agreement to your exception, your exception is denied. We have no intention of opening any negotiations on any terms and conditions or anything related to them after the contract is awarded.

Please refer to Special Instructions to Offerors, paragraph 21, Additional Guidelines for Exceptions to Terms and Conditions:

In keeping with the Uniform Instructions to Offeror paragraph 3.4 Exceptions to Terms and Conditions:
If offerors take any exception to any term, condition or requirement included in this solicitation document, such exception shall be submitted to the Contract Specialist by August 29, 2007

1. The offeror must understand that exceptions to the Uniform Terms and Conditions and exceptions to the Special Terms and Conditions are very rarely granted.
2. The exception is approved only if the offeror receives the approval in writing. If the exception is acceptable, AHCCCS will give written approval and will often do a written amendment to the solicitation. Any exceptions not addressed or not responded to by the Contract Specialist are denied.

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Questions and Answers				
ID	RFP Section #	RFP Section Heading	Question	RFP Page #
1	Requirement 2.4.6 Item 4		<p>Q: What is AHCCCS' current imaging system and describe its technical architecture</p> <p>A: AHCCCS uses Kofax Ascent Enterprise Capture 7.5 to scan claims forms and related documents. These claims images are stored in Westbrook Fortis 2.3 using a unique document class, "Claims Documents" and indexed by CRN, DCN (a value generated by the scanner and imprinted on the bottom of each sheet) of the first page, scan date and form type</p> <p>Kofax Indicius 5.5 allows us to extract and validate the scanned data and to create 837 transactions for transmittal to the claims processing system.</p> <p>Both the Fortis and Ascent systems are MS Windows based.</p> <p>A SQL Server database is used to support the Ascent system for record keeping and an Oracle databases supports the Fortis document management system.</p>	35
2	bidders library	Claims - Weekly Productivity Reports	<p>Q: Do claim volumes provided in the bidders' library include paper and EDI claim monthly volumes or just paper.</p> <p>A: The claims counts provided account for both paper and electronic submissions.</p> <p>http://www.ahcccs.state.az.us/Contracting / BidderLib_Claims.asp</p>	
3	Amendment #1	#3- Question 1	<p>Q: CMS recommends a 2 year implementation schedule. Would the State consider extending the desired implementation date to state "24 months" from date of award?</p> <p>A: AHCCCS believes that a one year implementation schedule for a claims processing engine is sufficient however, it is not required by the RFP.</p> <p>If the proposed implementation schedule exceeds twelve</p>	1

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			months, then justification for the longer timetable should be provided.	
4			<p>Q: What is the total number of claims that will need to be converted to the new system and how many different claim formats are represented</p> <p>A: In total PMMIS currently stores 30 million claim headers and 85 million claim lines dating back to 1993. The number of these claims to be converted depends on the requirements of the system being proposed and the cutover strategy assumed.</p> <p>For the initial implementation, PMMIS, all claims are stored in the same format within PMMIS.</p> <p>Future uses of the proposed system such as Encounters, Health Care Group Claims processing, etc. will encompass other data formats.</p>	
5			<p>Q: What is the total number of providers servicing the PMMIS</p> <p>A: PMMIS currently stores data from 125,000 providers, 43,532 of which are currently active.</p>	
6	2.2.1	Agency Overview	<p>Q: What are the claims volumes for each program that AHCCCS is requesting the new claims system to process and the associated growth percentage?</p> <p>A: AHCCCS is anticipating that the offerors will be able to provide sliding scale configurations and pricing from the very lowest volume, to our current total FFS enrollment of 170,000 lives, and again to cover our capitated membership of 1.2 million lives (plus 5% growth per year). This methodology will allow the Agency to determine how (and when) to best implement our various populations in the new claims processing system.</p>	7

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7	2.3	Contract phases and schedule	<p>Q: Can you provide more information as to AHCCCS' expectations for the implementation timeline?</p> <p>A: We are not sure specifically what the bidder is asking. However, bidders should note the required timeframes on page 9 and incorporate these requirements in their proposed work plans. For example, The proposal must allow a minimum of 90 days for testing. Also, note the response to the question above (#3) related to the overall timeline.</p>	9
8	Attachment C	Attachment C – Ability to Provide Services	<p>Q: Does an application constitute a "base product" if it be configured using the default rules engine to service AR needs?</p> <p>A: In general, yes. However, the intent of the four columns on Attachment C is to allow AHCCCS to determine the extent of effort needed to meet a particular business requirement. If the rules engine modifications are significant, it would be helpful if the offeror provided a description in the ten lines just as if the “Modification to Base” or “New Development” had been checked.</p>	105
9	Attachment C	Attachment C – Ability to Provide Service	<p>Q: Does "modification to base product" include writing code to enhance/modify/extend the base product to service AR needs? Is "new development" applicable when additional software beyond the base product is needed to support functional requirements?</p> <p>A: “modification to base product” should be used when an existing functionality within the base product must be modified to meet a business requirement.</p> <p>“new development” should be used when additional functionality needs to be added to the base product to meet a business requirement.</p>	105

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10	2.1.3 & 2.3.9	Goals and Objectives & Phase IX -- Ongoing Operations Maintenance and Support	<p>Q: Will AHCCCS please expand its definition of "software upgrades, releases, and versions" and please identify how each of these terms apply to the scope of the contract?</p> <p>A: It is anticipated that the proposed solution will be a commercially available software product. As such, new versions or releases of the software would normally be offered by the vendor.</p>	5 & 23-24
11	2.3.3.1.1	2. Scope of Work	<p>Q: As the interfacing of reference data with PMMIS will be key to keeping the two systems in synch, can we see diagrams showing the existing PMMIS reference table structures? This will enable us to estimate the hours for those transformations accurately.</p> <p>A: Reference data table structures will be added to the Bidders Library.</p>	5
12	3.2	Technical Proposal	<p>Q: Should the cost proposal be included on all 11 CDs?</p> <p>A: Yes</p>	63
13		Special Instructions #18	<p>Q: Does "direct services" include software development, enhancement and modification, where such resources would have no direct contact with AHCCCS beneficiaries or participating providers. The only contact may be with AHCCCS technical and operations staff for the purpose of defining and testing software modifications and enhancements.</p> <p>A: Yes.</p>	73
14			<p>Q: Will AHCCCS require that this work flow capability be integrated with all of the other AHCCCS systems such as enrollment, customer service etc</p> <p>A: Work Flow management applies only to Claims</p>	108

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15			<p>Q: What is the current average lag time between date of service and date of payment for fee-for-service claims?</p> <p>A: Date of Service to Date of Receipt averages 92.49 days. Date of Receipt to Date of Payment averages 16.36 days.</p>	
16			<p>Q: Will the vendor be responsible for delivering a MARS and SURS solution to AHCCCS, or does AHCCCS have its own MARS and SURS system that the vendor will simply interface with by providing data to? If AHCCCS has its own MARS and SURS subsystems, how are these subsystems currently architected into the overall MMIS (i.e. how is data fed into MARS/SURS by the current MMIS)?</p> <p>A: PMMIS does not use a separate MARS/SURS system. Some of these requirements are currently met through reports produced via the Data warehouse, operational reports from PMMIS and through manual procedures.</p> <p>Section 2.3.8 requires that the offeror of the proposed system is responsible for obtaining federal certification of the proposed system. How the proposed system meets those requirements is up to the offeror.</p>	
17			<p>Q: We have heard that AHCCCS has received a series of claims systems demonstrations. Can you tell us which systems were viewed and which vendors were talked to?</p> <p>A: ACS, CNSI and QCSI.</p>	
18			<p>Q: Is AHCCCS currently using the SQL option in Datacom/DB?</p> <p>A: Yes</p>	

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19			<p>Q: Is it expected that all of the source data for the new FFS claims system will come from the PMMIS or will incoming interfaces have to be built for other systems as well? If the PMMIS will not act as the only data source, can you provide a list of the other data sources the claims system is expected to retrieve incoming data from?</p> <p>A: It is anticipated that PMMIS will be the primary source of data for Recipient, Provider, and Reference data. Any other data needed by the proposed claims processing system will have to be identified and its' source, if any, identified.</p> <p>The Scope of Work details a number of potential interfaces based on the data needed and the system function being performed.</p>	
20			<p>Q: Is feeding the existing data warehouses the only output expected for the initial implementation of the new FFS claims system or will other reports/exports be expected. If other reports/exports are expected can you provide a list of those which are required to be functional on day one of implementation?</p> <p>A: Other interfaces are identified in the Scope of Work. For example, 2.4.6.26 references a required interface to the Oracle Financial system used by AHCCCS.</p> <p>Scope of Work section 2.3.3.1 indicates that other system interfaces may be required by the proposed system. These interfaces are to be identified early on in the process to allow time for interfaces to be built.</p>	
21			<p>Q: What are the data maintenance/storage expectations for eligibility, reference, and contract data?</p> <p>A: PMMIS maintains data for all of these categories indefinitely. However, for the proposed system there is no data retention requirements specified for these data categories.</p>	

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22			<p>Q: Does AHCCCS have a specific preference as to where the "Member Communication Documents" are printed and mailed? If for instance DST hosts this system would it be OK to print and mail from DST operation centers.</p> <p>A: As long as all work on the mailing is done in the US, it would be acceptable.</p>	